

F E D E R A L  
T O B A C C O   C R O P   I N S U R A N C E

in

Vernon County, Wisconsin

(Investment)

- - - -

Tobacco growers in Vernon County are offered a new type of insurance protection on type 55 tobacco for 1948 -- investment insurance.

Under annual contracts the Federal Crop Insurance Corporation offers Vernon County growers an opportunity to insure their investment in producing a tobacco crop against losses due to unavoidable causes such as:

Drought.	Hail	Rain	Plant Diseases
Frost	Wind	Flood	Insect Infestation

It does not insure against losses from avoidable causes such as neglect and poor farming practices.

Your Federal crop insurance premium buys protection of most of the "out-of-pocket" costs of producing a crop of tobacco against the major production risks from transplanting through harvest.

It adds only a little to your operating costs to insure against the production hazards which man cannot control. Crop insurance premiums are deductible as operating costs for income tax purposes.

-- BETTER BE SURE - BETTER INSURE --

Full information on the program and the coverage and premium for each insurance unit is available through the Vernon County ACA Office or an authorized agent.

## TOBACCO CROP INSURANCE

Vernon County is one of 33 counties in which Federal crop insurance protection against the unavoidable hazards in the production of tobacco is being offered in 1948.

Premiums paid by farmers are used only to pay losses to insured producers. Administrative costs are carried by the Federal Government as a service to farmers. Premiums collected in excess of losses paid can be used only to accumulate a reserve for use in years when losses exceed premiums. The accumulation of an adequate reserve will make possible reductions in premium rates.

Since losses paid under the program are the major factor in determining proper changes in premium rates, it is in the policyholder's interest for only sound risks to be insured under the program. It is the policy of the Corporation to eliminate undue risks from the program and to guard against "lax" adjustments.

Crop insurance is a farmers' program with each insured paying a small amount for protection in order that none among them may suffer a disastrous loss.

Only tobacco produced on acreage for which the Corporation establishes a coverage and premium rate can be insured.

Vernon County is one of 13 counties in which tobacco crop insurance was started in 1945 and one of 19 counties in the program during the following two years of the 3-year trial period. Combined premiums for all counties exceeded losses in each of the three years and the legislation was changed to permit tobacco crop insurance in a maximum of 35 counties.

IT'S GOOD BUSINESS TO PROTECT YOUR INVESTMENT

## COVERAGE

Investment crop insurance assures a dollar return from the crop which represents a major portion of the investment in the crop.

The coverage per acre is expressed in dollars per acre. Ask the county office what coverage is available for your crop.

The protection is 100% of the coverage on harvested acreage. Before harvest, the protection is 65% of the full coverage.

## DETERMINING LOSSES

If the returns from the insured tobacco crop are less than the dollar coverage, the insured is entitled to an indemnity in the amount that the returns fall short of the insured coverage provided the loss resulted from the unavoidable causes insured against.

## PREMIUMS

Premium rates are stated in dollars per acre.

While the premium comes due February 28, 1949, it may be paid as soon as the insured acreage is known since it is a definite dollar amount per acre. Protection starts with the transplanting so that is a good time to pay for it if you can.

INSURE FOR PROTECTION IN 1948 AND EVERY YEAR



## OTHER CONTRACT PROVISIONS

The insurance covers your interest in all insurable tobacco acreage in the county in which you have an interest in the crop at the time of planting.

If your tobacco crop is destroyed while there is still time to replant, you are expected to replant. If this acreage is not replanted it will not be insured.

Insured acreage destroyed or substantially destroyed may be released by the Corporation for other use, BUT no acreage may be put to another use until a release in writing is obtained from an authorized Corporation representative.

The insurance period begins with transplanting and ends upon removal from the field.

An assignment against the insurance contract may be made as collateral for a loan.

Partial protection may be obtained at half the cost of full protection and any losses under partial insurance are reduced by half.

## WHAT YOU DO

File an application before May 31, the closing date for filing applications or the start of transplanting.

Follow recognized good farming practices in preparing the land, transplanting, caring for, harvesting and curing the crop.

If your planted acreage or interest in the crop differs from that listed on the planting intentions report at the time you sign your application, make sure this report is changed to the correct planted acreage(s) for the insurance unit. You are allowed only 15 days after your tobacco crop is planted to change this report.

Report immediately to the county office any material damage to the crop if you feel a loss under the insurance contract may result. Any loss under the contract must be reported immediately after the completion of marketing of the crop.

Don't delay. Sign your application early.